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The Secret Agency That Oversees Covert CIA Activities

White House '40 Committee Fed Overthrow of Allende

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Washington — On a warm Saturday morning, June 27, 1970, Henry Kissinger, addressing the most secret committee of the United States government, laid down in highly personal terms what was to become official American policy toward Chile.

"I don't see why we should have to stand by and let a country go Communist due to the irresponsibility of its own people," he reportedly declared.

That statement, according to government intelligence sources, was made to the 40 Committee, a five-man group so secret that its existence was unknown at the time to the vast majority of Congress, the press, and even the White House staff.

Kissinger, through a State Department spokesman, said he could not recall making the statement but, in any case, could not comment on 40 Committee activities.

The 40 Committee is elected by no one, and responsible to no one except the President, who appoints its members.

Serious students of foreign-policy-making have questioned whether, in a democracy, such a five-man directorate should have this kind of unbridled power, whether the five are really in touch with American public opinion, and whether Congress should not have tighter reins on their covert programs.

As a consequence of the 40 Committee's action however, large sums of Central Intelligency Agency money were poured vainly into Chile to avert the election of leftist Salvador Allende. And that money was followed in later years by even larger sums to "destabilize" the Chilean economy and topple the Allende regime.

With the Chilean military uprising in 1973 and Allende's violent death, the policy ultimately succeeded.

But it has produced in recent days several developments certain to provoke a new national debate on the role of the CIA and even of Kissinger himself. It has:

—Focused attention, at last, on the 40 Committee, dominated by military and intelligence professionals of the World War II-Cold War vintage, as the real overseer, even operator, of the CIA's covert activities and responsible only to the President.

—Made clear the emergence of Kissinger as the most powerful non-elected official in the nation's history, standing astride the intelligence, covert-operations and foreign-policy apparatuses as Secretary of State, chairman of the National Security Council, National Security Adviser to the President and Chairman of the 40 Committee.

—Destroyed what was left of the belief that at least a few members of Congress have knowledge of and a veto over the cloak-and-dagger aspects of CIA.

"The CIA is the tool of the President and it works today for Kissinger," according to one government source.

The history of the U. S. government's Chilean adventure dates back to 1964 when Allende, a proclaimed Marxist, first sought the presidency. CIA funds helped his Christian Democratic opponent, Eduardo Frei, capture the presidency that year.

Greater Danger Seen by Washington

But by 1970, Frei could not succeed himself and the Allende threat was seen by Washington as greater than ever. This time even more money was funneled by CIA into anti-Allende efforts.

In all, according to secret testimony April 22 this year by CIA Director William Colby, as revealed by Rep. Michael J. Harrington (D-Mass), the agency pumped $11 million into anti-Allende efforts in Chile between 1964 and 1973. It was spent as follows:

— $3 million went in 1964 to help finance the Christian Democratic Party, Allende's chief opposition.

— About $500,000 was advanced in 1969 to help Chilean individuals and organizations gear up to oppose Allende the next year.

— Another $500,000 went to opposition party personnel during the 1970 campaign, and $350,000 was authorized to bribe the Chilean congress, but this last effort was abandoned.

— Following Allende's election, $5 million was authorized to disrupt the Chilean economy from 1971 to 1973, and **$1.5 million more** was spent to influence Chilean municipal elections in 1973. Some of these funds helped finance an influential Chilean newspaper.

— Finally, in August, 1973, just one month before Allende's downfall, another $1 million was authorized to press home the effort to wreck the Chilean economy, already in trouble because of Allende's own misguided policies.

In each case, the effort and the expenditure were approved by the 40 Committee, or by the same committee operating under another alias, such as the 303 Committee.

"No more mysterious group exists within the government than the 40 Committee," according to David Wise, a journalist who has long been a student of the American intelligence community.

"Its operations are so secret that in an appearance before the Senate Armed Services Committee, CIA Director Colby was even reluctant to identify the chairman," he said.

The Bay of Pigs invasion attempt, the U-2 overflights of Russia, the overthrow of the Arbenz government in Guatemala—each of these was a CIA covert operation approved by the 40 Committee, or its predecessors.

In most cases, it now appears, Congress was kept in the dark, at least until after the operations were completed, and sometimes beyond that.

The Chilean intervention is an example of how this blindfolding of Congress works.

On March 29 this year, Charles A. Meyers, former Assistant Secretary of State for Latin American Affairs, told a Senate subcommittee that "the policy of the government . . . was that there would be no intervention in the political affairs of Chile . . . we financed no candidates, no political parties . . ."

As late as June 12 of this year—two months after Colby's secret admission—Harry Schlaudeman, number two man in the American embassy in Chile from 1969-73, denied that any such U.S. effort was made.

"There was no funding, of that I am quite sure," Schlaudeman told a closed hearing of the House Foreign Affairs Committee.

CIA Director Colby emphasizes when questioned that the agency makes full secret reports to the "appropriate" Congressional committees, the so-called CIA "oversight" subcommittees of the House and Senate.

But what they are told, according to a former top official of CIA, depends on what questions they ask—and frequently they don't ask the right questions.

"The CIA deals with Congress in the way that Congress requests it to," said the official, who requested anonymity. "Often they don't know enough to ask the right questions. But it's their fault."

Among the subjects that have escaped close congressional questioning have been the operations of the 40 Committee.

Despite its anonymity, the committee appears to have existed under one name or another since at least 1954.

It was apparently formed officially in 1954 as the Special Group and later called the 54-12 Committee. In President Kennedy's time, it operated under the name 303 Committee, apparently a reference to the room it used in the Executive Office Building adjoining the White House.

The names, in each case, have been deliberately designed to provide no clue as to its function. Its members communicate mostly by word of mouth, with little paperwork and a staff of one man, believed to be a CIA employe.

"You can look all you want but you won't find any document with the title '40 Committee' on it," said one former intelligence officer. "It's like, officially at least, it didn't exist."

From its pre-1954 origins as a loose group of top State and Defense Department officials, the group has evolved a fixed membership based on title and formalized in a directive of the National Security Council. The name 40 Committee is believed to refer to an NSC directive number 40.

Kissinger, as national security adviser to the President, took charge of the 40 committee under former President Nixon and retains the chairmanship today.

The other members are Air Force Gen. George S. Brown, chairman of the Joint Chiefs of Staff; William P. Clements Jr., deputy Secretary of Defense; Joseph J. Sisco, Under Secretary of State for Political Affairs, and Colby, the CIA director.

They are men in their 50s, veterans of World War II and the Cold War periods.

Colby's membership, according to critics, is the classic story of the "fox in the hen coop" — the CIA director, in effect, sitting in judgment on plans and proposals of his own agency.

At times, other officials have sat in; John Mitchell, as Mr. Nixon's Attorney General, was a 40 Committee member and there is some dispute over whether the late Robert Kennedy, in his turn as Attorney General, also was a member. It is believed that Mr. Nixon's controversial assistants, H. R. Haldeman and John Ehrlichman, also attended meetings, but evidently not as members.

Each 40 Committee, according to past and present intelligence officers, has tended to become an extension of the chairman, chiefly because he alone has access directly to the President.

Kissinger has come to dominate the 40 Committee far beyond the power of his predecessor and to an extent some intelligence specialist here believe is dangerous.

In the past, for example, the 40 Committee met weekly, but not today.

As his own responsibilities have expanded, Kissinger has convened the committee less frequently, intelligence specialists here say. Much of the time, according to several sources, Kissinger merely confers with the other members by telephone, dealing with them individually rather than as a group, and passing on to the President the consensus that he alone has had a real hand in fashioning.

The result, according to specialists who have served in both the CIA and State Department, has been to concentrate decision-making in fewer hands, mostly Kissinger's hands.

"A lot of the consultation and argumentation that went on is missing now," said one official.

The controversy over Kissinger's role extends to the Chilean adventure and who really initiated it.

The CIA clearly has taken most of the heat to date, but at least one official highly placed in the State department from 1970 to 1973, the years of the most ambitious anti-Allende effort, believes the "CIA may be getting a bum rap."

The idea for intervention, he said, appears to have come from the White House — "from Nixon or Kissinger."

It was then farmed out to CIA to develop a plan and provide funds and routed routinely back to the 40 Committee, where Kissinger, as 40 Committee chairman, approved what may have been his own plan, this source said.

According to this official, the CIA "was not that hot" for intervention.

The State Department was divided, he said. Edward Korry, then ambassador to Chile, appeared to favor some CIA role, but the State Department's own Intelligence and Research experts opposed the idea, not on moral grounds, but in the belief it would not work and was too risky.

It is not known, he said, how U. Alexis Johnson, then as under Secretary in the State Department's man on the 40 Committee, "played it in the committee." But in any event, Kissinger's view would have been irresistible because of his influence with the President, he added.

There are some intelligence specialists here who credit Kissinger with having imposed some restraint on CIA after a decade in which the White House and the 40 Committee stood in awe of the agency's glamorous "dirty tricks" department.

This was particularly true under President Johnson's hawkish National Security Adviser, Walt Rostow, of whom one ex-State department intelligence officer said, "he scared even the CIA."

But at the same time, there is apprehension among the same sources that Kissinger has compounded what many saw all along as a real shortcoming of the 40 Committee operation — the concentration of a review function in the hands of men already busy with daily operating responsibilities in their own fields.

The agenda of the 40 Committee includes some of the most delicate foreign-policy decisions of the United States government. Besides the CIA's covert projects, it also reviews and approves monthly a Joint Reconnaissance Schedule that involves, among other things, the use of spy satellites around the world.

Outside the intelligence community there is criticism of the secrecy which shrouds the CIA and hands over its operations to a non-elected elite such as the 40 Committee. But within the intelligence community here—men sympathetic to the need for clandestine policy alternatives in a divided world — the concern is that there is not enough control of CIA by institutions such as the 40 Committee.

For example, Victor Marchetti and John D. Marks, former U.S. Intelligence officers and authors of "The CIA and the Cult of Intelligence," maintain that covert operations account for only $440 million of CIA's estimated budget of more than $750 million a year. The actual figures are a closely held secret.

By far the larger, more important operation—world-wide espionage—is subject to no review by the 40 Committee.

This is true even if the espionage involves as sensitive an operation as hiring a key official of a foreign government—as has been done in Latin America at the risk of a serious diplomatic incident.

Some Results Never Envisioned

Even covert operations approved by the 40 Committee have some history of generating capers never envisioned by the Committee. The Russian sugar case is an example.

Directed by the 40 Committee to do its damnest to foul up the Cuban economy, CIA agents picked on a load of Cuban sugar bound for Russia that had been off-loaded in an American port. They contaminated the sugar, risking a real ruckus with the Russians.

The deed was undone only when President Kennedy learned of it in time.

With the growth of multi-national corporations — the spread of American business abroad in the 1960s — the chance for unmonitored CIA mischief has expanded mightily. For many of these businesses, the CIA is fertile recruiting ground, and the list of American banks and international business is replete with ex-CIA employes whose old loyalties can be tapped by the agency.

According to one published report, Colby has said the CIA maintains some 200 agents abroad posing as businessmen.

With the disclosure of its role in Chile, there are signs at last that Congress, which has closed its eyes to the ever-widening CIA role, may be about to take a tougher line.

Sen. Frank Church (D-Ida), chairman of a Senate Foreign Relation subcommittee on multi-national corporations, is exploring the possibility of perjury prosecutions against Administration officials who denied any U.S. effort to topple Allende.

And even Sen. Stuart Symington (D-Mo), a member of the Senate's CIA oversight subcommittee and supposedly one of the few men in Congress informed about the agency, expressed surprise at Colby's admission of the depth of CIA intrusion into Chile.

Among Congress's younger members, like Harrington, there is a rising cry for more control of the agency.

What form that might take is not yet clear. But many intelligence specialists questioned here felt that the CIA might well have to surrender some of its covert operations to protect its more vital intelligence gathering and evaluation capability.

Colby seemed to suggest that late Friday, when, at a conference here on "CIA and Covert Activities," he declared that an end to covert activities "would not have a major effect on the current security of the United States."

In fact, according to Ray S. Cline, a former CIA deputy director, covert activity is on the decline, and has been since its hey-day in the 1950s and 1960s. The thawing of the Cold War, and the detente in general have made the difference, he said.

'Cold Warrior' Started It All

The man who started it all was that first Cold Warrior, Harry S. Truman, who put together the CIA in 1947, primarily as an intelligence-gathering agency, and saw it quickly enter the cloak-and-dagger trade.

At the end, it seems, Mr. Truman had some second thoughts, and it may be that Congress, will take its lead from this comment attributed to the former President in 1963:

"I never had any thought when I set up the CIA that it would be injected into peacetime cloak-and-dagger operations. Some of the complications and embarrassment that I think we have experienced are in part attributable to the fact that this quiet intelligence arm of the President has been so removed from its intended role. . .

"I would like to see the CIA restored to its original assignment as the intelligence arm of the President and whatever else it can properly perform in that special field and its operational duties be terminated or properly used elsewhere.

"We have grown up as a nation respected for our free institutions and for our ability to maintain a free and open society. There is something about the way the CIA has been functioning that is casting a shadow over our historic position, and I feel that we need to correct it."

Diversified Histories

Backgrounds of the 40's Five

Washington—These are the men who comprise the 40 Committee, the secret White House policy group which reviews and oversees all covert CIA activities:

DR. HENRY A. KISSINGER, 51, . . . Chairman of the 40 Committee . . . German-born, Harvard-educated . . . with his family fled here from Nazi Germany before World War II . . . worked with American military intelligence in World War II . . . brilliant foreign policy formulator, architect of the Nixon "detente" with Russia and China . . . an American Metternich and the most powerful non-elected official in the nation's history . . . Secretary of State; chairman, National Security Council; National Security Advisor to the President, and Chairman of the 40 Committee.

JOSEPH J. SISCO, 55 . . . Under Secretary of State for Political Affairs . . . son of a middle-class, Italian-American family from Chicago . . . Phi Beta Kappa graduate of Knox College in Illinois . . . specialized in Soviet Affairs and received doctorate in International Relations from University of Chicago . . . known as "jumping Joe" for his aggressive, gregarious personality and 12-hour work days . . . once worked as bartender, another time in a steel mill, but for most of his life has been a career diplomat . . . served as political adviser to the U. S. delegation to the United Nations . . . best known for his patient mediation efforts in the Middle East . . . knows CIA first hand . . . he entered government service in 1950 with the CIA, went from there to the State Department.

WILLIAM P. CLEMENTS JR., 56 . . . Deputy Secretary of Defense . . . came to the post after Nixon's reelection in 1973 . . . served as co-chairman of the Texas Committee to Reelect the President . . . heavy financial contributor to the Nixon campaign . . . a self-made millionaire in the oil-drilling and equipment business . . . estimated to hold stock worth $65.6 million in SEDCO Inc., of Dallas, an oil-drilling and pipeline company of which he was board chairman . . . also holds interests in Texas real estate and the First National Bank of Dallas . . . a close friend of Sen. John Tower (R-Tex), among the most hawkish members of Congress . . . Clements appointment viewed as a signal to conservatives that Pentagon would not suffer in Nixon second term . . . it alarmed some liberals who felt that, at the January, 1973, confirmation hearings, he did not renounce possible use of nuclear weapons in Vietnam in strong-enough terms.

AIR FORCE GEN. GEORGE S. BROWN, 55 . . . Chairman of the Joint Chiefs of Staff . . . the choice of Defense Secretary James Schlesinger, former director of the CIA . . . son of an Army general and married into an Army family . . . West Point graduate . . . World War II bomber pilot, as a major he took charge of the famous 1943 raid on the Plessti oil fields in Romania after lead elements of the attack had been shot down . . . awarded Distinguished Flying Cross for his effort . . . considered more analytical and articulate than his successor, Admiral Thomas Moorer, he is said to have raised the intellectual level of the Joint Chiefs . . . low-keyed, with a sense of humor, according to associates, and one who listens to views of subordinate . . . like Sisco, an aggressive tennis player.

WILLIAM P. COLBY, 54 . . . Director of the CIA . . . a professional spy who came in from the cold . . . joined the OSS, forerunner of CIA, shortly after graduation from Princeton . . . parachuted into France in World War II to help resistance fighters . . . brief postwar career as lawyer, but joined CIA at outbreak of Korean Conflict . . . served in Stockholm and Rome, where he was heavily engaged underground in work against the Italian Communist party . . . served several tours in Vietnam as CIA station chief . . . headed Pacification program, which included the controversial "Phoenix" program, involving capture, imprisonment and frequently murder of suspect Viet Cong . . . in 1970, conceded to Congress "abuses" in the Phoenix program . . . he headed the clandestine, or "dirty tricks," department of CIA before becoming director.